

Seiko Epson Corporation and Epson America, Inc.,

Plaintiffs,

v.

InkSystem LLC, AF LLC, ART LLC, Lucky Print LLC, Inkredible LLC LLC, Andriy Kravchuk, Igor Bielov, Artem Koshkalda, Vitalii Maliuk, and Does 2 – 10, inclusive, Defendants. Case No. 3:16-cv-00524-RCJ-VPC

EMERGENCY MOTION TO STAY PROCEEDINGS FOR DEFENDANTS TO OBTAIN COUNSEL

On August, 16, 2017, Plaintiffs Seiko Epson Corporation and Epson America, Inc. (collectively "Plaintiffs") filed Their *Emergency Ex Parte Application* for Order to Show Cause Re Contempt as to Artem Koshkalda ("Koshkalda") and Vladimir Westbrook ("Westbrook") (collectively "Defendants").

On August 16, 2017, Plaintiff's counsel's spoke with Defendant Artem Koshkalda by telephone and told him that Defendants had violated the Court Preliminary Injunction and that sanctions for those kind of violation would be harmfull for the Defendants. During the telephone conversation with Plaintiff's counsel, Mr. Koshkalda explicitly explained all matters what Plaintiff's counsel believes constitute an issue by itself and contempt to the court as well.

Regarding real estate business and Plaintiff's allegation that Defendant Mr. Koshkalda still selling several properties we should clarify that those properties were selling **BEFORE** honorable judge Robert C. Jones TRO and Preliminary injunction were GRANTED. Those properties were under contract and Mr. Koshkalda could not terminate it without causing damages to third parties and surprisingly, for the Plaintiff as well. Moreover, if Mr. Koshkalda would try terminate those contracts it might have imposed unreasonable encumbrances on

Plaintiff's rights if they will prevail on the merits in this case. Specifically, TRO and Preliminary injunction says, Section D: "You are restraining from.... Incurring liens or other encumbrances on real property." Obviously, if Mr. Koshkalda would try to terminate contracts, all Buyers would have a 100% chances to win the case and forced to sell properties and/or pay damages.

In addition, the Court should know that Mr. Koshkalda informed Plaintiff's counsel at his deposition in March that he was selling and buying real estate as part of his separate real estate investment business. As Mr. Koshkalda explained at his deposition, the business plan was to purchase property early in a development and sell after the property increased in value. Plaintiff's counsel did not say in March that Mr. Koshkalda must not continue his real estate business. That is another reason, Defendants are asking for time to get a lawyer.

Since the Defendants were forced to withdraw from their former counsel, they sent about 10 emails, dated August 11, 2017, to the following Law firms in order to hire a counsel on retainer basis: 1. Otto Lee, IPLG LLP; 2. Omid Khalifeh, Omnilegal Group; 3. Stuart West, West & Associates; 4. Kevin Adams, Mulcahy LLP; 5. Imran F. Vakil, Nexio Law Firm; 6. William Lee Buu, Schiffer|Buus APC; 7. Steven Andrew Gibson, Gibson Lawry; 8. Kirstin M Jahn, Jahn+Associates; 9. John D. Tran, Rhema Law Group, P.C; 10. Kenneth Nelson Caldwell, Caldwell Law Firm.

Kenneth Nelson Caldwell, Caldwell Law Firm agreed to represent the Defendant's on retainer basis, rate \$400,000.

John D. Tran, Esq. RHEMA LAW GROUP, P.C agreed to represent the Defendant's on retainer basis, rate more than \$400,000.

Defendants are trying to negotiate with a former counsel F. Christopher Austin on retainer basis as well. According to last information as of August 18th, He might consider to step back in for a retainer 300,000 which is lower than other firms would charge us. Our goal is to get it down to \$100,000 as a retainer.

Without a counsel, the Defendants are not able to properly defend themselves. Defendants, after being forced to withdraw their former counsel have very general, broad view of the issues and consequences of every particular step.

Right now we are working on

1) Getting counsel who would be able to represent our interests as there were several

motions that we couldn't even oppose properly (during a conversation with counsel of an

opposing party, they have indirectly confirmed that they cannot disagree that we are in a

bad (disadvantaged) position by not being represented by counsel)

2) We are working on a settlement proposition. Had a phone conversation with opposing

counsel yesterday (august 17th) about scheduling a mediation with Judge Cooke. If

settlement is reached then we wouldn't need to bother the court to ask release funds for

counsel in order to have a fair representation in the court.

3) Trying to do everything we can in order to be heard by a court in a proper way (counsel)

that the lawsuit to be conducted that the judge would be making decision based on facts

provided by both parties, and not just by plaintiffs.

If the court may suggest what would be a proper thing to do right now I would highly

appreciate that as after losing counsel we are unable to properly respond to the court or to the

opposing party, and that is very unfortunate for us.

Based on our negotiations with different law firms we believe that 30 days stay would be

sufficient in order for us to get counsel.

Respectfully submitted by,

Dated: 8/18/17

Signed by Defendants:

By Artem Koshkalda, Managing Member

1280 Terminal Way ste. 28

1280 Terminal Way ste. 28

Reno, NV 89502

3

Reno, NV 89502 (408)898-8370 artemkoshkalda@gmail.com (408)898-8370 artemkoshkalda@gmail.com

Inksystem LLC / Lucky Print LLC

By Andriy Kravchuk, Managing Member 1000 Bible Way ste. 40 Reno NV, 89502 (408) 386-2221 ualhimik@vahoo.com

Andriy Kravchuk, 1000 Bible Way ste. 40 Reno NV, 89502, (408) 386-2221 ualhimik@yahoo.com

Inkredible llc llc

By Vitalii Mailiuk, Managing Member 675 Fairview Dr. ste 233
Carson City, NV 89701
(669) 225-6885
vitaliimaliuk@gmail.com

Vitalii Maliuk,

675 Fairview Dr. ste 233 Carson City, NV 89701 (669) 225-6885 vitaliimaliuk@gmail.com

AF LLC

By Igor Bielov, Member 390 Freeport Blvd, ste 6, Sparks, NV, 89431 7757624864 Igor.v.bielov@gmail.com Igor BIelov,

390 Freeport Blvd, ste 6, Sparks, NV, 89431 7757624864

Igor.v.bielov@gmail.com